



*The Commonwealth of Massachusetts
Commonwealth Health Insurance Connector Authority
100 City Hall Plaza, 6th floor
Boston, MA 02108*

DEVAL PATRICK
Governor

TIM MURRAY
Lieutenant Governor

JAY GONZALEZ
Board Chair

GLEN SHOR
Executive Director

Board of the Commonwealth Health Insurance Connector Authority

Minutes

Thursday, May 12, 2011
9:00 AM to 11:00 AM
One Ashburton Place
Boston, MA 02108
21st Floor Conference Room

Attendees: Jay Gonzalez, Dolores Mitchell, Jonathan Gruber, Terry Dougherty, Ian Duncan, Celia Wcislo, Louis Malzone, Nancy Turnbull, and Andres Lopez. Bob Nevins attended in place of Glen Shor. Joseph Murphy was absent.

The meeting was called to order at 9:11 AM.

- I. Minutes:** The minutes of the April 14, 2011 meeting were approved by unanimous vote.
- II. Executive Director's Report:** Secretary Gonzalez opened with a discussion of the Finch Case, which is a suit brought against the Commonwealth Health Insurance Connector Authority (CCA) which challenges the constitutionality of the CCA creating a separate program, (Commonwealth Care Bridge (Bridge)) for residents in the Aliens with Special Status (AWSS) population who would otherwise be eligible for Commonwealth Care (CommCare). He stated that in light of the economic hardship faced by Massachusetts and the fact that the federal government does not reimburse states for providing coverage to the AWSS population, as they would for other eligible populations, the Commonwealth needed to take a different approach to insure the AWSS population. Secretary Gonzalez informed the Board that the Massachusetts Supreme Judicial Court recently decided that strict scrutiny will be used as the standard of review when deciding the Finch Case. Secretary Gonzalez said the CCA and the Governor's Administration are exploring options in the event that the existence of Bridge is ruled unconstitutional. Secretary Gonzalez continued by stating that it has always been a goal of the Governor to provide this population with coverage equivalent to CommCare. National health care reform will help make this more financially feasible in 2014. Secretary Gonzalez said Governor Patrick's advocacy has allowed the Bridge population to maintain coverage, even though having a separate program for the AWSS population is not an ideal situation.

Bob Nevins announced the May membership figures for May, with CommCare's membership increasing less than 1% to about 159,000 and Commonwealth Choice's (CommChoice)

membership decreasing to 38,695. Mr. Nevins explained that the decrease in membership for CommChoice can largely be attributed to members' bills being sent out late in March. This caused a falsely high number of paid members to be counted for April, as many members made two payments to make up for the missed payment in March.

III. Student Health Plan Update: Cheryl Ierna opened by providing some background information on the efforts of several state agencies, including the CCA, to procure health insurance for Massachusetts's state universities, community colleges and the University of Massachusetts system. Ms. Ierna paid special thanks to Nate Mackinnon of the Department of Higher Education for his efforts in leading the steering committee. Jonathan Gruber asked if students with access to health insurance through their school are enrolled into their school's plan by default, unless they waive their coverage. Ms. Ierna confirmed that is the case, and added that brokers will typically administer the waiver process for health insurance carriers. Ian Duncan asked how brokers are compensated under the health insurance procured for the state universities, community colleges and UMass campuses. Ms. Ierna replied that there is not a set broker compensation level for 2011. In 2011, broker compensation will depend on the premium level of the plan and the particular plan's membership. In future years a prescribed broker compensation level will be established based on previous experience. Mr. Duncan asked what services the brokers are providing. Ms. Ierna responded that, in addition to administering the waiver process, brokers provide customer service and, enrollment services; they also are consulted on renewals and claims data and are generally the "go-to" individuals when any problems arise. Mr. Gruber asked if the CCA will obtain information on how brokers are compensated directly from the carriers, which Ms. Ierna confirmed.

Ms. Ierna continued by summarizing the procurement results from 2010 and 2011. Nancy Turnbull, who is a member of the steering committee, emphasized the incredible complexity involved in conducting these procurements, as the schools involved were at very different places in terms of price, understanding of health insurance, student health services provided, and their relationships with brokers and carriers. She also thanked Mr. Mackinnon for the important role he played during this process. As part of the 2011 procurement, Ms. Ierna highlighted the fact that the state's community colleges were able to offer prescription coverage for the first time with a below trend premium increase of 8%, which Ms. Ierna commented is a significant accomplishment. Ms. Turnbull commented that in the past community colleges were very sensitive to the price of their plans, which kept them from offering prescription coverage. She stated that this illustrates the power of collective purchasing. Mr. Gruber asked if much of the disparity in the cost and benefits of the different student health plans has been mitigated, which Ms. Ierna confirmed. Ms. Ierna concluded her presentation by highlighting the contributions of the student trustees who helped the steering committee understand what benefits are important to students. Louis Malzone asked how students' health insurance coverage is impacted if they become ill and need to take a leave of absence from school. Ms. Turnbull responded that, in her experience at Harvard University, students in this situation will be able to remain on their student health insurance for a period of time before they need to obtain another form of health insurance. Mr. Malzone mentioned he has heard of students from other states in this situation who have been left without insurance while in the middle of treatment because they are unable to obtain another form of insurance as a result of their preexisting condition. Ms. Turnbull responded that situations such as this illustrate the importance of national health care reform, which will prohibit carriers from denying coverage because of preexisting conditions. Ms. Weislo asked if student health insurance offers coverage for students during the summer, which Ms. Ierna confirmed. Mr. Duncan asked if the student health insurance for the state universities, community colleges and UMass system is considered creditable when continuing insurance in another state, which Ms. Turnbull confirmed. Secretary Gonzalez thanked Ms. Ierna and Mr. Mackinnon for their efforts on this

project. Ms. Turnbull thanked the Division of Health Care Finance and Policy for their work on student health insurance.

- IV. Commonwealth Care Quarterly Update:** Stephanie Chrobak opened by introducing Kerry Connolly to the Board, who leads the program integrity initiative for CommCare. Next, Ms. Chrobak provided the most recent enrollment statistics to the Board. Mr. Duncan asked why CommCare enrollment experienced an increase in January 2011. Ms. Chrobak responded the increase was due to eligibility redeterminations being conducted during that time. Terry Dougherty added that natural curves in enrollment occur throughout the year because of the operations conducted by MassHealth and the CCA. As a result, Mr. Dougherty stated that it is best to compare enrollment year to year, rather than month to month. Mr. Gruber observed that the rate of decline of the Bridge population seems to have increased during the past few months. Ms. Chrobak acknowledged the rate of decline has increased and said she is not exactly sure why this has occurred, as a large number of reasons could have led to this result.

Next, Ms. Chrobak summarized the progress of the CommCare web migration strategy, highlighting that the CCA was able to exceed its goals for January 2011. Ms. Chrobak also displayed the CCA's progress towards their June 2011 web migration goals. Mr. Duncan asked if the percentage of members carrying out certain activities on the website is calculated from the total CommCare membership or just from the premium paying members. Ms. Chrobak responded that these percentages are calculated using only premium paying CommCare members. Ms. Chrobak continued by displaying the newly integrated e-payment login page for both CommCare and CommChoice members. Ms. Turnbull asked if members have expressed confusion when trying to differentiate between the names of the two programs. Ms. Chrobak said the CCA recently conducted a meeting to discuss this issue. In most cases members are able to determine if they are a member of CommCare or CommChoice, but there are some cases where members have expressed confusion. Ms. Chrobak added that there has also been some confusion expressed by members in trying to distinguish between CommCare and MassHealth. Ms. Wcislo stated that she finds it difficult to find the CommCare section of the website because there is only a small link to this section made available on the homepage. Mr. Nevins stated that the CCA recently added a box in the lower right hand corner of the homepage specifically for CommCare members in order to make getting to the CommCare section of the website easier. Mr. Dougherty suggested the CCA create a way to verify the routing information for payments when they are initially entered on the website, because CommCare has experienced bounced payments due to incorrect information being entered by members. Ms. Wcislo requested information about which members are most frequently bouncing e-payments.

Next, Ms. Chrobak and Ms. Connolly provided the Board with an update on the program integrity initiative for CommCare. Ms. Turnbull asked how CommCare members' eligibility is investigated. Ms. Connolly replied that the CCA contracts with Health Management Systems (HMS) who has access to information regarding members' access to employer sponsored insurance (ESI) and other government subsidized insurance. They also maintain information on whether members have another form of private health insurance. Ms. Connolly stated that members who have indicated that they were offered ESI within the last six months are primary subjects of these investigations. Mr. Gruber asked how members who did not indicate that they had access to ESI within the last six months are checked. Ms. Connolly replied that every quarter HMS investigates members who have access to ESI according to their records, but who did not indicate so to the CCA. Ms. Wcislo requested data showing how many members were investigated and determined as having access to ESI but actually did not and were wrongfully removed from CommCare. Mr. Malzone asked how the eligibility of family members other than the head of household is determined. Ms. Connolly replied that applying residents are

asked information about all members of their household and whether they have access to ESI. Mr. Gruber clarified that if a family member has access to ESI, the employer contribution level must be at least 20% in order for family members with access to the plan to be considered ineligible for CommCare. Ms. Chrobak and Ms. Connolly emphasized that one of the goals of the CommCare program integrity initiative is to ensure that there is as little disruption to members as possible. Mr. Duncan asked if the CCA is being clear about its disenrollment policy with regard to issues such as non-payment of premiums and moving out of state. Ms. Chrobak told Mr. Duncan that she would contact him concerning the disenrollment policy regarding non-payment of premiums. Ms. Connolly added that CommCare utilizes information from the Public Assistance Reporting Info System and claims information to determine if a person has moved out of state. Secretary Gonzalez thanked Ms. Connolly for her work on program integrity. He stated that program integrity is a top priority of Governor Patrick's Administration, and that Lieutenant Governor Murray is currently leading a state-wide effort on public program integrity. Secretary Gonzalez closed by saying the state has limited resources and needs to make sure that those resources are available to those who qualify, making program integrity very important.

- V. National Health Care Reform Update:** Kaitlyn Kenney opened by discussing the CCA's participation in an inter-agency task force as part of the Commonwealth's national health reform implementation efforts. She then updated the Board on the CCA's activities in relation to the Exchange Planning Grant that the CCA has received from the Center for Consumer Information and Insurance Oversight (CCIIO). Ms. Kenney assured the Board that the CCA would be asking for their input on exchange planning activities, as appropriate. Ms. Kenney mentioned that the CCA would be using part of the Exchange Planning Grant to utilize the services of consultants. Ms. Wcislo asked if the CCA and Board would have the opportunity to consider policy questions, so it is not the consultants who are making final decisions on policy. Ms. Kenney replied that the consultants will be playing a supportive role, not the role of a decision maker. Secretary Gonzalez emphasized that the consultants will not be making final decisions.

Next, Mr. Nevins updated the Board on the CCA's activities in connection with the Early Innovator Grant awarded to all six New England states by CCIIO. Mr. Gruber asked how the requirements for an exchange under federal reform differ from the CCA's current status from a technological standpoint. Mr. Nevins replied that federal reform mandates that exchange websites must be able to conduct an upfront eligibility review of residents seeking health insurance, which is not currently offered by the CCA. Ms. Turnbull asked what the advantage is of Massachusetts collaborating with the other New England states for the Early Innovator Grant. Mr. Nevins replied that when Massachusetts learned of this grant opportunity CCIIO suggested that the six New England states apply together. Mr. Nevins added that the collaboration of the New England states on Early Innovator Grant activities creates an opportunity for the creation of a regional exchange; however that is not a stated goal at this point. Ms. Turnbull asked if there may be opportunities in the future for Massachusetts to act as a subcontractor for other states, which Mr. Nevins confirmed. Ms. Turnbull asked whether Massachusetts or the federal government owns the intellectual property gained through grant activities. Mr. Nevins said he is not sure who would own the intellectual property, but as part of the grant, states must share their work with the federal government. Ms. Wcislo asked how federal policy on payment reform will affect the activities around bringing Massachusetts's exchange into compliance with federal regulations from a technological standpoint. Mr. Nevins said that this is not clear, but it is an issue that should be paid attention in case there are some effects. Secretary Gonzalez stated that preparing for the implementation of national reform is a complicated and massive endeavor. However, he said that he is comforted that the

CCA seems to be on track and has access to funding from the federal government to assist them in their efforts.

The meeting was adjourned at 10:55 AM.

Respectfully submitted,
Andrew J. Graham